



C. L. "BUTCH" OTTER
Governor

TERESA LUNA
Interim Director

TIM MASON
Administrator

State of Idaho

Department of Administration

Division of Public Works

502 N. 4th Street
P.O. Box 83720
Boise, ID 83720-0072

Design and Construction (208) 332-1900
Facilities Management (208) 332-1933
Leasing (208) 332-1929
Fax (208) 334-4031
www.adm.idaho.gov

REQUEST FOR PROPOSALS

TO: Commercial Real Estate Agents, Owners & Managers
FROM: Linda S. Miller, Statewide Leasing Manager
State of Idaho, Department of Administration, Division of Public Works
DATE: September 24, 2010

A LEASE PROPOSAL FORM MUST BE FILLED OUT COMPLETELY FOR THE PROPOSAL TO BE CONSIDERED. Submitting proposal indicates acceptance of the conditions governing the lease and conformance with all requirements of the Request for Proposals. EACH RFP HAS A UNIQUE LEASE PROPOSAL FORM – PLEASE USE THE FORM ATTACHED TO THIS RFP. Please note that the State is requiring proposals to include an energy performance rating which can be computed on the U.S. EPA's website.

The State of Idaho is seeking to lease approximately 3,100 to 3,500 net rentable square feet of new or existing retail space for occupancy by the Idaho State Liquor Division in Ketchum. Net Rentable Area should include usable square feet plus any applicable prorated common area space.

DUE DATES

Proposals are due by **midnight on October 14, 2010** at the Division of Public Works and may be:

- Mailed to 502 N. 4th Street 83702, PO Box 83720 Boise, ID 83720-0072;
- Hand-delivered to 502 N. 4th Street, Boise (office closes @ 5:15 PM - there is no mail slot);
- Emailed to Linda.miller@adm.idaho.gov; or
- Faxed to (208 334-4031).

For further information on the RFP process, contact Linda Miller, Leasing Manager, Department of Administration, Division of Public Works at (208) 332-1929.

The liquor division is seeking an occupancy date no later than DECEMBER 1, 2010.

LOCATION

All proposed sites must be appropriately zoned and should offer convenient access to the public. By statute, liquor stores must be at least 300 feet from a school (Title 23-303). Proposed sites must be within Ketchum city limits.

THE LEASE

The State's standard lease form, attached as Exhibit B, will be used. STANDARD LANGUAGE WITHIN THE LEASE FORM IS NOT NEGOTIABLE.

The initial term of the lease will be for **five (5) years** with an option for an additional five (5) year period. The lease will contain an annual funding appropriation clause.

Offeror should provide Lessee an option to purchase the facility at specified intervals after the first year of the lease, including renewals. Offeror should provide the purchase price for all years for which the option exercise is applicable and any other relevant information.

As an alternative, the State may consider a twenty (20) year lease term. In such case, the Lessor would have to agree that after the twenty (20) year term, if the Idaho Legislature authorized a time purchase pursuant to Idaho Code § 67-5708, title to the facility and real property would go to the State. Offeror should provide the yearly lease price for all twenty (20) years under this scenario and any other relevant information.

The exercise of either option described above must be done in accordance with applicable provisions of the Idaho Code, including Idaho Code § 67-5708. Idaho Code § 67-5708 allows for lease purchase or other time purchase agreements when a facility is authorized by concurrent resolution and a maximum cost is set by concurrent resolution.

COST OF LEASE

The estimated annual cost of the lease should be at a competitive market rate per square foot per year. The lease rate should include property taxes, water, sewer, trash, facility repair and maintenance, insurance, landscape maintenance, and snow removal. The liquor division will be responsible for its own electricity, gas and interior cleaning. The State may require a background check of personnel such as the maintenance staff who would have access to the interior of the store. The proposal should detail the amount of the tenant improvement allowance included in the rental rate.

PROPOSAL ASSISTANCE

The liquor division is able to answer questions related to client and staff usage of the proposed space and the relationship between the programs occupying the space. More detailed information on facility requirements and use may be obtained by contacting Art Lee, (208) 850-5055, Art.Lee@liquor.idaho.gov.

CONFIDENTIALITY

All proposals will remain confidential until a lease has been executed. Submitted proposals will become the property of the State of Idaho and will not be returned.

PROCESS OF SELECTION

INITIAL EVALUATION A committee composed of the Leasing Manager of the Department of Administration, Division of Public Works, or a designee, and staff of the liquor division and which may also include other non-state personnel will evaluate each proposal. Each proposal will be evaluated based upon an established set of criteria and a weighted evaluation. The rating factors, with the Department of Administration's recommended range of evaluation weights, can be found on page 7. The ranking sheet to be used in this Request for Proposals process is included in Exhibit A.

INTERMEDIATE EVALUATION The committee may request additional information or clarification regarding any of the ranked factors during the initial or intermediate evaluation from one or more of the respondents. Additional information or clarification requested may include a credit report, financial statements or an affidavit indicating that Offeror is not in default in payment of any taxes, excises or license fees due. If Lessor is a partnership or a corporation, Lessor may be required to submit evidence that the entity is authorized to do business in the state of Idaho. The committee may elect to visit one or more of the proposed sites to evaluate location and facility issues.

FINAL EVALUATION Proposals will be ranked and negotiations will begin with the representatives of the top-ranked proposal. If negotiations are successful, a lease will be completed. The State's standard lease form, attached as Exhibit B, will be used. STANDARD LANGUAGE WITHIN THE LEASE FORM IS **NOT** NEGOTIABLE.

Should negotiations with the top-ranked Offeror be unsuccessful, negotiations will be opened with the second ranking Offeror and so forth until a suitable lease is obtained. The State reserves the right to disqualify all proposals as unacceptable and to take any necessary action to obtain suitable space.

All final plans and specifications must be prepared by an architect licensed in the State of Idaho. Plans and specifications may also be subject to review by the Permanent Building Fund Advisory Council pursuant to Idaho Code § 67-5710A. Detailed General Outline Specifications and Communication Specifications shall be provided to Offeror during the negotiation process.

ON-GOING REVIEW

At the State's option, the State may require the Lessor to provide insurance certificates prior to the

commencement of any construction naming the State as an additional insured and may require the Lessor to indemnify and defend the State against any claims and to warrant and guarantee material, equipment and workmanship. If the facility shall be new construction, Lessor shall furnish to the Division of Public Works a copy of the Lender's commitment on the permanent loan, together with a copy of the title policy for the facility as soon as they can be made available.

ACCEPTANCE OF THE FACILITY

A copy of the certificate of occupancy as issued by the local governing authority, together with a copy of the as-builts and warranties for the facility, shall be furnished to the liquor division prior to occupancy of the facility. At its discretion, the liquor division may have the Division of Building Safety inspect the premises prior to executing the Lease or prior to taking occupancy of the Premises.

HOW TO MAKE A PROPOSAL

All proposal information must be summarized on the Lease Proposal Form attached to this Request for Proposals. The form can also be obtained by accessing the Division of Public Works web page at http://adm.idaho.gov/pubworks/facilities/leasing/index.htm#real_estate. A copy can also be sent to you upon request. **PLEASE PROVIDE THREE COPIES AND DO NOT BIND PROPOSALS. Incomplete items may cause the proposal to be disqualified.**

GENERAL PROPERTY REQUIREMENTS

SITE:

- Adequate outdoor lights, fitted with photocells and timers, shall be placed directly above each outside entryway and around the perimeter of the building.
- It would be preferable to have 13 paved parking spots. Parking on the property shall be required to accommodate deliveries.
- Handicapped spaces will be in close proximity to the building entrance. All improvements to the site, whether existing or new, must meet or exceed the handicapped accessibility requirements by ADA.
- Professionally manufactured signs must be installed and prominently located so as to be visible from the street. The Division requires one sign, with 24" minimum letters in red that read "Liquor Store" and are illuminated.
- The building's exterior shall be compatible with the surrounding community. In areas with severe weather conditions, the building design shall be appropriate and functional, especially with regard to specific site requirements including, drainage, heavy snow situations, and solar orientation.

GENERAL BUILDING REQUIREMENTS:

- The Premises and all areas serving the Premises, including common areas, the parking lot and sidewalk, must conform to ADA requirements.
- An Energy Star building, a LEED building certification or a building that has environmental considerations implemented into the construction/remodel, as well as its day-to-day operations, is an important consideration for the state. The Portfolio Manager program through the U.S. Environmental Protection Agency's website at www.energystar.gov/istar/pmpam/ provides an interactive energy management tool that allows buildings owners to assess energy and water consumption, as well as rate energy performance on a scale of 1 to 100. **THIS RATING MUST BE NOTED IN THE LEASE PROPOSAL FORM.**
- The Offeror will provide a qualified, professional space planner to prepare a detailed space plan acceptable to the Lessor and Lessee. The building must be designed by an architect or engineer licensed in Idaho.
- The ideal store layout would be in a space that has a minimum width of 40 feet and a maximum depth of 80 feet. 20 linear feet of front window area would be preferred.
- All restroom signs shall have Braille lettering.
- Any crawl space beneath the building should be easily accessible from within the building.
- Mechanically operated ventilation systems shall comply with minimum outside air and circulation standards established by the Idaho General Safety and Health Standards in all portions of the building and shall be kept continuously operating when building is occupied. The system should be designed to accommodate any unique needs associated with severe weather conditions, solar gain, or unusual temperature fluctuations.

- Lessor must provide a safe work environment, certified to be free of airborne asbestos. Any costs related to abatement will be borne by the Lessor.
- Outside ground maintenance shall be provided on an "as needed" basis.
- Snow removal shall include removal of snow from parking lots and walkways. Removal shall be performed seven days per week prior to 8:00 a.m. Priority shall first be given to keeping handicapped spaces clear and to ingress, egress, and fire lanes, secondly to customer and employee parking areas, and lastly to overflow parking areas. An area shall be designated for snow storage. Areas subject to ice accumulation shall be treated with de-icing agents as necessary.

FLOORING:

- Commercial grade carpeting (32-ounce or better commercial grade carpet with a heavy traffic classification) and vinyl base in the retail area and sealed concrete in the rear service area.
- Restrooms and breakroom floors shall be covered with a high quality commercial vinyl or ceramic tile.
- Concrete cuts to accommodate installation of Lessee-provided floor safe and for the electrical conduits described below under Electrical Requirements.

WALLS / CEILING:

- Minimum insulation of R36 in the ceiling and R19 in the walls.
- Suspended T-bar acoustical ceiling having a height of approximately eight feet (8') to eleven feet (11') unless otherwise requested.
- A four (4') high partition wall (maximum length of 12') at location designated by Lessee, which wall shall include two (2) duplex convenience outlets.
- Paint all surface walls with an off-white matte finish.
- Mechanical and electrical rooms may be divided to allow a janitorial closet.

PLUMBING / BREAK ROOM:

- Lessor shall provide the number of restrooms required by the city at location and discretion of Lessee.
- Provide and install the following in a location adjacent to the restrooms:
 - Mop sink, with 4' tall frp to protect walls from splashing;
 - Kitchen sink and counter/cabinets (basic) to include a duplex outlet at counter height, an outlet to accommodate Lessee-provided refrigerator, and a standard duplex outlet at the baseboard level. Leave space for small dorm-sized fridge & allow for electrical for small counter-top appliances. All appliances will be furnished by agency. No disposal or dishwasher hook-up is required.
 - Minimum 10-gallon hot water heater, hooked up to serve restroom, mop sink, and kitchen sink.

ELECTRICAL:

- Lessor shall provide one basic 2' x 4' four-tube fluorescent fixture per 100 square feet (approximate) of leased area plus one duplex convenience outlet on demising walls approximately 24 feet on center from rear of Premises.
- Light switches that independently control lighting to: retail (1); rear stock area (1); kitchen/break room area (1); and restroom (2).
- Additional electrical conduits: Three (3) from the electrical panel to the cash register area, plus three (3) from the cash register to the back office.
- Phone and data junction box.
- Contractor shall pull four parallel runs of standard 4-pair (Type #) twisted pair cable to each outlet for telephone and data communications, label both ends, and terminate each pair at the modular RJ45 duplex jacks (RJ45=568A or B) and at the patch panel block in the data/phone room. Cables shall be tested and certified before occupancy. Installation and materials supplied shall be in accordance with current Electronic Industry Association/Telecommunication Industry Association standards (EIA/TIA) 568 A or B.
- The data/phone area may not be located in the same room as the mechanical, electrical and janitorial room. The data/phone area shall allow access to a 19" standard floor-standing rack assembly. It must have a dedicated electrical circuit for communication and telephone control equipment with a minimum of ten electrical outlets in close proximity to the panel and block. Air-cooling and airflow must allow the area not to exceed a temperature of 72°.
- Dedicated circuits with isolated ground shall be provided for the computer network file server, telephone equipment, and the fax/copier machine. Equipment will include a fax/copier machine, cash registers,

credit card machines, DSL, and 2 computers. Sales counter near front entrance needs to have data link with back office area. Phone and data shall be run in a triangular configuration – from demark area to sales counter to office and then back to demark area.

- Provide electrical conduit to one (1) exterior sign location; plus entry conduit for telephone.

HVAC:

- Provide a separately metered electrical panel and individual programmable HVAC thermostat.
- If using an existing HVAC unit (or units), these units must be serviced prior to occupancy by Lessee. Lessor agrees to warrant the condition of the units for a period of 5 years.

STOREFRONT:

- Storefront entry to be at the midpoint of the leased premises.
- All glass to be double-pane minimum.

SERVICE DOORS:

- One (1) rear service door to accommodate deliveries, appropriately sized to accommodate pallets. Must be equipped with panic hardware.

SIGNAGE:

- Lessor shall provide either a sign allowance of \$7,000 or provide the sign at his cost. (Sign similar to the one on Vista Avenue in Boise). Professionally manufactured sign must be installed and prominently located so as to be visible from the street, with 24" minimum illuminated letters in red that read "Liquor Store".

MISCELLANEOUS:

- Provide any other code-required improvements, which shall include but not be limited to, emergency lighting, smoke or fire alarms, and/or ADA requirements for occupancy.
- Prepare and submit plans approved by Lessee for the above improvements to appropriate city agencies and obtain building permits; pay all fees as may be required by such agencies, including sewer hook-up fees, if any; and obtain an occupancy permit as may be required by such agencies following the completion of improvements.
- All buildings renovated specifically for use or occupancy by any state government agency or entity shall conform to all existing state and local codes. If any conflict arises between applicable codes, the more stringent code shall take precedence. Prior to remodeling of such buildings construction plans shall be reviewed and approved by the Division of Building Safety and the Permanent Building Fund Advisory Council.
- All improvements made to the Premises shall require final inspection, acceptance and written approval by the state's Division of Building Safety and by Lessee. Any deficiencies of work shall immediately be remedied.
- Lessor shall warrant and guaranty all materials, equipment and workmanship for a minimum period of one (1) year or such period which is standard in the real estate industry. (aside from HVAC). Upon completion of the Improvements, Lessor shall furnish to the Lessee a listing of products, subcontractors, supplier and/or manufacturers and maintenance manuals relative to the Premises. All warranties shall be extended to the Lessee.

EXECUTIVE ORDERS: Executive Order 2005-12 states that the efficient use of energy is of prime importance to the well-being of the State of Idaho and energy conservation is to be a major consideration in the construction of all state buildings and the execution of lease agreements.

Executive Order 2005-10 requires that all state-owned or state-lease buildings, facilities or area occupied by state employees shall be designated as "non-smoking" except for custodial care and full-time residential facilities. The policy governing custodial care and full-time residential facilities may be determined by the directors of such facilities.

Executive Order 2005-14 requires that all buildings owned or maintained by any State government agency or entity, or constructed or renovated specifically for use or occupancy by any such agency or entity shall conform to all existing state codes, including but not restricted to, the IDAPA 07.03.01.004, the Idaho General Safety and Health Standards Code, the International Building Code, the International Mechanical Code and the International Fire Code. If any conflict arises between applicable codes, the more stringent code shall take precedence. **Prior to construction, or remodeling** of such buildings, where appropriate, plans shall be reviewed and approved by the **Division of Building Safety** and the Permanent Building Fund Advisory

Council. Any cost associated with that review will be at the expense of the Offeror. A copy of the Division of Building Safety's Plan Review Application is attached to this Request for Proposals within the Lease Agreement (as Exhibit C).

Executive Order 2007-05 requires state agencies to develop an inventory of greenhouse gas emissions and to implement strategies to reduce greenhouse gases. The Lessor agrees to provide Lessee with ongoing permission to access the utility information of the building to determine the amount of electricity and heating fuel consumed within the Premises. If Lessee is not able to access this information directly from the utility companies, Lessor agrees to furnish said information to Lessee on a calendar year basis.

BUILDING STANDARDS/CODES:

Lessors leasing space to the State must procure building permits, secure necessary inspections, and obtain a Certificate of Occupancy for the intended use prior to the lease taking effect.

Local governments have jurisdiction over privately owned buildings in the target area. The minimum building and safety codes adopted by the state of Idaho and the federal government can be located at http://dbs.idaho.gov/building/id_code.html.

FACILITY STANDARDS SHEET: *Liquor Division*

Area/Room	Total Sq Ft	#Data Ports	#Phone Ports	Remarks
RETAIL AREA:				
Display Area	1400 Sq Ft			
Cooler Area	10 Sq Ft			
Check-out Counter	90 Sq Ft	2	4	Division will build counter, special phone and data needs. Connectivity to back office for data
Back office	80 Sq Ft	1	2	Window into retail area. , floor safe. Connectivity to sales counter or Office area room on retail sales area.
OTHER AREAS:				
Stockroom	1300 Sq Ft			Delivery doors to accommodate pallets.
Restrooms	64 Sq ft			ADA compliant
Janitorial Closet				Mop sink and hot water required. Co-located with restroom or back office area
Computer/Phone Rm	100 Sq Ft	1	1	Dedicated outlets. Add'l ventilation for equipment.
Sub-Total				
Add 15%	456			
TOTAL	3500 sq ft			

RATING FACTORS - RETAIL FACILITIES

AGENCY NAME: Idaho State Liquor Division			
Handicap Access (Yes or No)yes		"No" may disqualify property	
RATING Total = 100/Type of Factor	FACTOR	EXPLANATION OF FACTOR -	TARGET RANGE
Cost -5%	Rent-1 st Yr	Lease/Purchase Analysis Cost Ratio will need to be considered.	10% to 15%
Cost -12%	Rent-1st 5 yrs	Lease/Purchase Analysis Cost Ratio will need to be considered.	10% to 15%
Cost -5%	Rent Escalations	Rate increases, if any, should be capped. Pass-throughs on bldg. expenses (taxes, insurance, common area maintenance).	0% to 5% (0% if N/A)
Cost -5%	Offeror Incentives	Renewal options, free rent, reimbursement of moving costs, etc. Can be figured on a per sq ft basis to obtain effective lease rate.	0% to 5% (0% if N/A)
Cost -9%	Finish Allowance	Adequate to cover agency needs. New const. shld be approx. \$45/SF; Remodeled space \$4 to \$5 covers new carpet & paint.	0% to 5% (0% if N/A)
Construction- 4%	Site Issues	Are utilities available to the site? Is zoning appropriate? Environmental or construction issues? Site drainage issues?	0% to 5%
Construction- 0%	Property Amenities	On-site storage provided at no or reduced cost to tenants.	0% to 5%
Construction- 2%	Exterior	Maintenance and condition of building. Free-standing versus end cap.	0% to 10%
Construction- 6%	Adequate Sq Ft	Size and usability of space. Configuration. Storefront area.	0% to 10%
Construction- 4%	Interior	Maintenance and condition of building.	0% to 10%
Construction- 2%	Expansion Capability	1st Right of Refusal on adjacent space? Multi-tenant bldgs may provide more flexibility than a single-user bldg.	0% to 5%
Construction- 3%	Energy	Cost of energy, efficiency of heating & air conditioning system.	0% to 5%
Construction- 0	Security	Safety of employees, clients & equipment (exterior lighting, security service, controlled access, fenced parking areas).	0% to 10%
Construction- 0	Qualifications	Building owner's experience & financial ability to construct or remodel a facility, property mgmt experience.	0% to 5%
Construction- 4%	Parking	Adequate for clients and employees? Delivery area available? Storefront parking for customers is most preferred.	0% to 10%
Location-0	Adjacent Uses	Are surrounding uses professional in nature? Will there be any noise or odor issues? Is the property in a flight pattern?	0% to 5%
Location-0%	Employee Access	Is the property easy to access? Is the property close to a major thoroughfare? Will traffic in the area create a problem?	0% to 3%
Location-10%	Visibility	Is visibility critical to this operation?	0% to 10%
Location-5%	Demographics	Population (1mile, 3 mile, 5 mile) and Household Income (1mile, 3 mile, 5 mile)	0% to 10%
Location-0%	Bus Line	Is the property close to a bus line?	0% to 5%
Location-5%	Trade Area	Miles to current ISLD store, Drive-time to store.	0% to 5%
Location-0%	Lifestyle characteristics	Education, income, etc.	0% to 5%
Location-3%	Colocation	Proximity to anchor stores, other destination retail stores.	0% to 3%
Location-10%	Public Access	Property easy to find? Close to a major thoroughfare? Is traffic in the area a problem? Consider auto and pedestrian access.	0% to 10%
Other-1%	Agency	Other special requirements unique to Agency.	0% to 5%
Other- 5%	Purchase Option	Depending on location and 5-Yr plan, a "No" response might disqualify property from further consideration.	0% to 10%
Other-0	Quality	Are there any incomplete or any inconsistent items?	0% to 3%
TOTALS 100%			100%

***Cost should be between 30% to 45% of the total ranking.**

LEASE PROPOSAL FORM – Page One

Lease Proposal for State Liquor Division Proposed Occupancy Date: _____ Location: _____

THE OFFEROR

PROPOSAL SUBMITTED BY _____ (Company)
_____ (Contact Person)
_____ (Street Address)
_____ (City, State, ZIP)
_____ (Phone/Fax/Email)

CREDIT REFERENCES (Please provide three (3) verifiable references as noted below):

BANK REFERENCE: _____ (Company)
_____ (Contact Person)
_____ (Street Address)
_____ (City, State, ZIP)
_____ (Phone/Fax/Email)

TRADE REFERENCE: _____ (Company)
_____ (Contact Person)
_____ (Street Address)
_____ (City, State, ZIP)
_____ (Phone/Fax/Email)

TENANT REFERENCE: _____ (Company)
_____ (Contact Person)
_____ (Street Address)
_____ (City, State, ZIP)
_____ (Phone/Fax/Email)

QUALIFICATIONS (Please provide information as noted below):

COMMERCIAL DEVELOPMENT EXPERIENCE: _____

_____ (Please provide
brief narrative detailing size and nature of properties developed, locations and tenancies. A copy of your company's professional brochure may be
attached to this proposal as additional information.)

COMMERCIAL PROPERTY MANAGEMENT EXPERIENCE: _____

_____ (Please provide
brief narrative detailing size and nature of properties managed, professional designations in property management, if any, landlord/tenant
relationships with other governmental entities, etc. A copy of your company's professional brochure may be attached to this proposal as additional
information.)

CAUTION: Any incomplete items in this proposal form may cause proposal to be discarded.

LEASE PROPOSAL FORM Page Two

COST OF THE FACILITY

RENT SCHEDULE: Please fill in the blanks below with each year's rent. If any expenses are not included in the rent, please note these expenses on the line below the rent schedule.

Initial Lease	Annual Rent	Rent/Sq Ft /Yr*	Option Period	Annual Rent	Rent/Sq Ft/Yr*
Yr 1	\$	\$	Yr 6	\$	\$
Yr 2	\$	\$	Yr 7	\$	\$
Yr 3	\$	\$	Yr 8	\$	\$
Yr 4	\$	\$	Yr 9	\$	\$
Yr 5	\$	\$	Yr 10	\$	\$
Yrs 1-5	\$	\$	Yrs 6-10	\$	\$

ITEMS NOT INCLUDED IN RENT: _____

RENT ESCALATIONS: Proposals without escalations will be given the highest points. All others will be prorated according to the perceived degree of cost exposure. If no increases, expense stops or pass-throughs are to be charged to state, write "None" in each table. Due to budget approval issues, it is beneficial for the State to have caps on increases.

CONSUMER PRICE INDEX BASE YR: _____				FIXED INCR: %: _____ or \$/Sq Ft: \$ _____			BASE YR (OR BASE COST) EXPENSE STOP						
								Taxes	Insur	Util	Janit	Common Area	% Cap
Initial Lse	Yes	No	% Cap	Initial Lse	Yes	No	Cost/ Sq Ft	\$_____	\$_____	\$_____	\$____	\$_____	%:____
Yr 1			%	Yr 1			or						
Yr 2			%	Yr 2			Base Yr						
Yr 3			%	Yr 3			Yr 3						
Yr 4			%	Yr 4			Yr 4						
Yr 5			%	Yr 5			Yr 5						

DIRECT PASS-THROUGH OF BLDG EXPENSES (I.E., if you are quoting a NNN Lease)							PLEASE PROVIDE ANY FURTHER DETAIL NEEDED TO CLARIFY THIS SECTION:
% of BLDG AREA: ____ %							
Initial Lse	Taxes	Insur	Util	Janit	Common Area	NNN Lse	
Yr 1	\$	\$	\$	\$	\$	\$	
Yr 2	\$	\$	\$	\$	\$	\$	
Yr 3	\$	\$	\$	\$	\$	\$	
Yr 4	\$	\$	\$	\$	\$	\$	
Yr 5	\$	\$	\$	\$	\$	\$	

TENANT FINISH: A turnkey finish will be given the highest points. All others will be rated according to the perceived degree of cost exposure. To control costs, any changes to plans after they are approved must be in writing and must include a cost estimate.

Tenant Finish Allowance: ☐ Turnkey ☐ \$ _____/sq ft, based on: ☐ Net Rentable Area ☐ Usable Area ☐ Other: _____

Does the Tenant Finish Allowance include space planning cost and architectural fees? ☐ Yes If Yes, what is the estimate for these costs?: \$_____/sq ft. ☐ No Do you anticipate the agency's stated needs will exceed the finish allowance noted above? ☐ Yes ☐ No If yes, what is the estimate for these costs: \$_____/sq ft.

Please provide any recommendations to reduce the tenant finish cost (which will ultimately result in cost savings to both Lessor and the State): _____

CAUTION: Any incomplete items in this proposal form may cause proposal to be discarded.

*Rent & Costs per Sq Ft to be based upon Net Rentable Area, as established by BOMA.

LEASE PROPOSAL FORM Page Three

PHONE/DATA WIRING ALLOWANCE: The State prefers the data and telephone wiring be performed by the Lessor to minimize disruptions and damages to the facility. Since it could be difficult to accurately determine the cost of these items until specific plans and specifications are completed, please provide an allowance towards this anticipated Lessor expense.

Allowance for Data/Phone Installation: \$ _____/sq ft, based upon: ☐ Net Rentable Area ☐ Usable Area ☐ Other:
Please detail: _____

Are DS3 fiber optics available to the building? ☐ Yes ☐ No NOTE: Microwave is generally not acceptable.

LESSOR INCENTIVES: The State can provide long-term tenancy and the security of a viable tenant. Please detail incentives you would offer to offset the agency's moving expenses:

Rent Discount for Annual Prepayment of the Lease: _____%.

Moving Expense Reimbursement: \$ _____. The division anticipates its moving expense will be \$20,000.00

Additional Services: _____

(Ex: Enhanced building maintenance, security, additional services or amenities)

Other Incentives: _____

(Ex: Free rent for several months, no rent escalations for a certain period, allowance toward shelving, additional tenant finish allowance, first right of refusal on adjacent space, etc.)

SQ FT: _____(Usable) _____(Net Rentable) _____(Gross) Load Factor: _____%

Please attach a rough floor plan to proposal. The State does not wish to have the Offeror expend a large amount of funds on initial floor plans and renderings since agency review will generally cause revisions. We are seeking more of a rough floor plan to provide the committee with a concept of the facility.

LOCATION OF THE FACILITY

FACILITY LOCATION: _____(St Address)_____ (City, ZIP)

NEAREST CROSS STREETS: _____

ADJACENT PROPERTY USES:

_____ (To the East)

_____ (To the West)

_____ (To the North)

_____ (To the South)

PROXIMITY TO BUS ROUTE: _____(# of Blocks)

PROXIMITY TO OTHER RETAIL STORES WITHIN 1 MILE RADIUS: _____

DEMOGRAPHICS: Population within 1mile: _____, 3 miles: _____, 5 miles: _____

Household Income within 1mile: _____, 3 miles: _____, 5 miles: _____

BENEFITS OF THIS LOCATION: _____

(Please provide brief narrative detailing amenities available and other benefits of this location. Attach a copy of the property brochure as additional information.)

CAUTION: Any incomplete items in this proposal form may cause proposal to be discarded.

LEASE PROPOSAL FORM Page Four

DESCRIPTION OF FACILITY: ☐ New ☐ Existing _____ Age of Building

☐ To Be Renovated ☐ As Is ☐ Single User Facility ☐ Multi-tenanted Bldg.

☐ Single-Story Bldg ☐ Multi-storied Bldg - _____ # of Floors

Would any expansion areas be available in the future? ☐ Yes Size: _____ ☐ No

QUALITY OF LEASED SPACE: Carpet weight: _____ Exterior Walls: _____ Window coverings: _____ Exterior windows
_____ Interior windows

Class of Bldg: _____

(Overall quality of facility, i.e. "Class A", "Class B", "Class C", as commonly used in the real estate industry. Attach photos and property brochure as supplemental information.)

Type of HVAC System: _____

ADA ACCESSIBILITY: Offeror agrees to meet or exceed the handicapped accessibility requirements by ADA, including the interior of the facility and all site improvements. ☐ Yes ☐ No If no, explain why: _____

ENERGY/ENVIRONMENTAL: The Portfolio Manager program through the US EPA's website at <https://energystar.gov/istar/pmpam/> provides an energy performance rating on a scale of 1 to 100. Please note your calculated Energy Star rating: _____ If this is new construction, note the design rating instead.

PROPERTY AMENITIES: _____

(Examples: on-site storage Attach photos and property brochure as supplemental information).

PROFESSIONAL STAFF:

ARCHITECT: _____ (Company)
(Must be licensed _____ (Contact Person)
in Idaho) _____ (Credentials)
_____ (Street Address)
_____ (City, State, ZIP)
_____ (Phone/Fax/Email)

ENGINEER: _____ (Company)
(Must be licensed _____ (Contact Person)
in Idaho) _____ (Credentials)
_____ (Street Address)
_____ (City, State, ZIP)
_____ (Phone/Fax/Email)

SPACE PLANNER: _____ (Company)
(Must be licensed _____ (Contact Person)
in Idaho) _____ (Credentials)
_____ (Street Address)
_____ (City, State, ZIP)
_____ (Phone/Fax/Email)

PROPERTY MANAGEMENT: ☐ On-site ☐ Off-site, located @ _____
_____ (Company)
_____ (Contact Person)
_____ (Credentials)
_____ (Street Address)
_____ (City, State, ZIP)
_____ (Phone/Fax/Email)

CAUTION: Any incomplete items in this proposal form may cause proposal to be discarded.

LEASE PROPOSAL FORM Page Five

SERVICES INCLUDED IN LEASE:

Utilities: ☐ Electricity ☐ Gas ☐ Water ☐ Sewer ☐ Geothermal ☐ Other _____

☐ Snow Removal ☐ Landscape Maintenance ☐ Security Patrol/Service ☐ Facility Maintenance & Repair

OF PARKING SPACES: Employee _____ Client _____ ADA _____ Parking is ☐ Off-street ☐ On-street ☐ Paved ☐ Other _____

Would there be any cost for parking? ☐ Yes If yes, Cost: \$ _____ ☐ No

SITE: Current Zoning _____ Proposed Zoning _____ Is a design review required ☐ Yes ☐ No

Will current zoning designation present any timing issues: ☐ Yes ☐ No Are there any nearby schools? ☐ Yes ☐ No If yes, detail exact addresses of any within 300 feet from the proposed location: _____

Are public utilities available to the site? ☐ Yes ☐ No If no, detail potential issues and proposed resolution: _____

Has a Phase One Report been completed? ☐ Yes ☐ No

Any known environmental issues? ☐ Yes If yes, issues and proposed resolution: _____ ☐ No

Any anticipated land development issues: ☐ Yes If yes, detail potential issues and proposed resolution: _____ ☐ No

Please note status of any proposed interchanges servicing the site: _____

Is there exterior lighting in the parking/loading areas? ☐ Yes ☐ No

PURCHASE OPTION: The State may seek to acquire facilities to meet its long-term facility needs. Offeror would provide a purchase option for this facility: ☐ Yes ☐ No

Purchase Price	Lease Year	Comments and Terms of Purchase

20-YEAR LEASE: The State may seek to acquire facilities to meet its long-term facility needs through a 20-year lease/purchase program. Offeror would agree to a twenty (20) year lease with title going to the State at the end of the 20-year term upon authorization by the Legislature pursuant to Idaho Code §67-5708: ☐ Yes ☐ No

Lease Year	Yearly Rental	Comments/Other Information

CERTIFICATIONS

- I hereby certify that I am authorized to act on behalf of the firm, individual, partnership, corporation or association making this proposal and that all statements made in this document are true and correct to the best of my knowledge. I agree to hold this offer open for a period of ninety (90) days from the deadline for receipt of proposals unless the property is leased to another party; or, if I am selected as the Top-Ranked Offeror, for such further period as is necessary for obtaining Lease signature and approval. If the proposed property is leased to another party, I agree to immediately notify the Division of Public Works in writing so the property may be removed from consideration.
- It is the objective of the Division of Public Works to obtain the highest quality space at a competitive market rate. Unless otherwise noted, all terms listed in the proposal shall be subject to negotiation between the Offeror and the committee. No understanding, whether oral or written, whether made prior to or contemporaneously with the lease negotiations, shall serve to enlarge, modify, limit or otherwise affect the terms and conditions as ultimately detailed in the executed Lease Agreement.
- I understand and agree to be bound by the conditions contained in the Request for Proposals and shall conform with all requirements of the Request for Proposals.

Offeror Signature _____ Offeror Name _____ (Please Print)

Title: _____ Date: _____

CAUTION: Any incomplete items in this proposal form may cause proposal to be discarded.

EXHIBIT A PROPOSAL RANKING SHEET

RETAIL FACILITIES

Offeror Company, Name & Phone Number							
Street Address, Location							
Square Footage (NRA)							
Rent/Sq Ft (NRA) 1 st yr, 1 st 5 yrs							
Rent Per Yr- 1 st yr, 1 st 5 yrs							
Cost Ratio/RenewalOptions/Rent Incr/PassThru							
RATING	FACTOR	Proposal #1	Score *	Score x Factor	Proposal #2	Score *	Score x Factor
Cost -5%	Rent-1 st Yr	Budget is \$ _____.			Budget is \$ _____.		
Cost -12%	Rent-1st 5 yrs	Budget ,5-Yr plan.			Budget, 5-Yr plan.		
Cost -5%	Rent Escalations						
Cost -5%	Offeror Incentives						
Cost -11%	Finish Allowance						
Const- 4%	Site Issues						
Const- 2%	Exterior						
Const- 4%	Adequate Sq Ft						
Const- 4%	Interior						
Const- 2%	Expansion						
Const- 3%	Energy						
Const- 4%	Parking						
Location-10%	Visibility						
Location-5%	Demographics						
Location-5%	Trade Area						
Location-3%	Co-location						
Location-10%	Public Access						
Other-1%	Agency Discretion						
Other-5%	Purchase Option						
TOTAL= 100							
Offeror Company, Name & Phone Number							
Street Address, Location							
Square Footage (NRA)							
Rent/Sq Ft (NRA) 1 st yr, 1 st 5 yrs							
Rent Per Yr- 1 st yr, 1 st 5 yrs							
Cost Ratio/RenewalOptions/Rent Incr/PassThru							
RATING	FACTOR	Proposal #3	Score *	Score x Factor	Proposal #4	Score *	Score x Factor
Cost -5%	Rent-1 st Yr						
Cost -10%	Rent-1st 5 yrs						
Cost -5%	Rent Escalations						
Cost -3%	Offeror Incentives						
Cost -5%	Finish Allowance						
Const- 5%	Site Issues						
Const- 2%	Exterior						
Const- 5%	Adequate Sq Ft						
Const- 5%	Interior						
Const- 5%	Expansion						
Const- 5%	Energy						
Const- 5%	Parking						
Location-10%	Visibility						
Location5%	Demographics						
Location-5%	Trade Area						
Location-3%	Co-location						
Location10%	Public Access						
Other-1%	Agency Discretion						
Other-5%	Purchase Option						
TOTAL= 100							

* Scoring Scale: 5=Excellent, 4=Good, 3=Fair, 2=Poor, 1= Unacceptable

RANKED BY: _____ DATE: __

EXHIBIT B – LEASE AGREEMENT FOR SPACE

THIS LEASE AGREEMENT FOR SPACE ("Lease Agreement") is entered effective upon the date of the last required signature (the "Effective Date"), by and between _____, **Tax ID #** _____ (the "Lessor"), and the STATE OF IDAHO, by and through the _____ (the "Lessee"), for the leasing of that real property described below and referred to as the "Premises." The Lessor and the Lessee may be referred to collectively as the "Parties." The Parties specifically agree and acknowledge that the approval signature of the Leasing Manager, Division of Public Works, Department of Administration, is a required signature.

WITNESSETH

WHEREFORE, in consideration of the mutual covenants, agreements, and conditions contained in this Lease Agreement, the Parties agree as follows.

1. Lease of Premises. The Lessor does hereby demise and lease to the Lessee the Premises situated in the City of _____, County of _____, State of Idaho, known and described as follows: _____ **Idaho**.

2. Term. The term of this Lease Agreement is _____ months. As time is of the essence, the term of this Lease Agreement shall begin on _____ and shall end at midnight on _____. The Parties agree that this Lease Agreement is subject to the termination, expiration and renewal rights set forth in this Lease Agreement. The Lessee may, at the expiration of the term of this Lease Agreement and without the necessity of renewing said Lease Agreement, continue in its occupancy of the Premises on a month to month basis upon the terms and conditions set forth in this Lease Agreement for a period not to exceed one (1) Yr. The Lessor may terminate the Lessee's month to month occupancy upon ninety (90) days' prior written notice to the Lessee.

3. Payment. The Lessee shall pay to Lessor a fixed payment for the term of this Lease Agreement in monthly installments of \$_____ each. The lease payment shall be computed at a rate of \$_____ per square foot, per Yr. The total square footage of the Premises is _____, subject to measurement using BOMA standard. The total Yrly lease payment is \$_____. Upon election by the Lessee to pay in advance _____ quarterly, _____ semi-annually, or _____ annually, the Lessor shall allow Lessee a discount of _____ **Percent**. The lease payments shall be paid pursuant to the Lessor's timely submission of invoices for payment. Upon receipt, Lessee shall forward Lessor's invoice to the State Controller for payment. Lessor specifically acknowledges that State vouchers are processed by the State Controller, not Lessee. Therefore, any payment that is made no later than sixty (60) days after it is actually due shall not be considered an event of default. Lessee shall use its best efforts to expedite payment. It is expressly covenanted and agreed that any prepayment of rent made by the Lessee under the terms of this Lease Agreement shall be considered as an advance payment of rent only and no part thereof shall be considered as a security or cash deposit.

4. Acceptance of Premises. Lessor shall deliver the Premises to Lessee in accordance with floor plans and specifications attached to this Lease Agreement as Exhibit A, and incorporated herein by reference. Prior to or at occupancy, Lessee shall provide Lessor with a written statement acknowledging inspection and acceptance of the Premises. Lessee's obligations under this Lease Agreement shall not commence until Lessee's acceptance of the Premises. Lessee's inspection and acceptance of the Premises are based upon what may be reasonably observed by one untrained or unfamiliar with building inspections. At Lessee's discretion, Lessee may have particular conditions or parts of the Premises inspected by one trained or familiar with building inspections. In no event shall Lessee's inspection, or inspection by any agent of Lessee, be deemed a waiver of any defects in the Premises.

5. No Waste; Repairs. Lessee will not commit waste on the Premises, nor will it disfigure or deface any part of the building, grounds, or any other part of the Premises, including fixtures. Lessee further covenants that upon return, the Premises will be in the same condition as originally received, reasonable wear and tear excepted. Repairs, except those actually necessitated by Lessee's waste, disfigurement or defacement, and except for repairs required by the removal of Trade Fixtures as provided for in Paragraph 13 of this Lease Agreement, shall

be made solely at the Lessor's expense. Any repairs shall be done in a workmanlike manner and must comply with all applicable codes, ordinances, rules and regulations.

6. Services and Parking. The Lessor covenants that it will provide, perform, and pay for the services, maintenance and parking as follows:

A. Utilities:

Domestic water and sewer.

Irrigation.

B. Facility Repair and Maintenance:

General Building structure and related equipment (Interior and Exterior).

Heating system and related equipment.

Cooling and air handling system and related equipment.

Electrical system and related equipment.

Sewer and plumbing systems and related equipment.

Exterior lighting, including landscaped areas, parking area and walkway.

Cleaning ground and parking area of debris ☒ weekly ☐ monthly ☐ other: _____.

Common area janitorial service ☒ daily (excluding weekends and holidays) ☐ other: _____.

Trash removal from property ☒ weekly ☐ other: _____.

Furnishing of all washroom materials in common areas, including paper products, soap, cleaning supplies and equipment.

Light bulb and fluorescent tube replacement.

Ice and snow removal prior to start of each business day.

Director sign with Lessee name.

Door sign with Lessee name.

Lawn and shrubbery care weekly during season.

C. Custodial Services:

Window cleaning ☒ quarterly ☐ other: _____.

D. Parking: A total of _____ lighted and paved automotive parking spaces (including _____ of which will be secured) will be maintained with adequate ingress and egress available. Handicapped spaces will be provided equal to the requirements of the Americans With Disabilities Act (ADA).

7. Special Provisions.

a. Taxes. Lessor shall pay and discharge all taxes and assessments whatsoever charged against the Premises whether charged by federal, state, county, city or other public authority.

b. *This is where Options to Renew, Options to Purchase, First Right of Offer on Adjacent Space, Escalation Language would be addressed.*

c.

d.

e. Other Special Provisions. No other special provisions exist.

8. Failure to Repair, Maintain or Service. In the event that the Lessor shall fail or refuse to Make such repairs, perform such maintenance, provide such services, or to take any other action required of the Lessor pursuant to this Lease Agreement, Lessee shall give Lessor reasonable notice and time to cure and, failing such cure, Lessee may, at its option, make such repairs, perform such maintenance, provide such services, or take any such action, and deduct such sums expended doing so from the lease payments due to the Lessor. In the event that such failure or refusal prevents Lessee from occupying any or all of the Premises, Lessee may deduct a pro rata sum from its lease payments equal to the greater of the monthly cost per square foot of those Premises not acceptable for occupancy or the actual cost incurred by the Lessee to secure and occupy alternate premises. Lessee's decision to exercise this remedy shall not be deemed to limit its exercise of any other remedy available under this Lease Agreement, at law or in equity.

9. Personal Injury Damages. Subject to any applicable provisions of the Idaho Tort Claims Act, Lessee agrees to defend and hold Lessor harmless for any and all claims based on proven personal injury damages suffered by

public business invitees of the Lessee, provided, however, that Lessee shall have such obligation only for injuries and damages resulting from the negligent acts or omissions of employees of the Lessee and shall have no such obligation related to acts or omissions of employees or invitees of the Lessor.

10. Indemnification. Lessor hereby agrees to defend, indemnify and save Lessee harmless from and against any and all liability, loss, damage, cost, and expense, including court costs and attorneys' fees of whatever nature or type, whether or not litigation is commenced, that the Lessee may incur, by reason of any act or omission of the Lessor, its employees or agents or any breach or default of the Lessor in the performance of its obligations under this Lease Agreement. The foregoing indemnity shall not apply to any injury, damage or other claim resulting solely from the act or omission of the Lessee.

11. Use of Premises. Lessee shall use the Premises for the following purposes: _____. Lessor warrants that, upon delivery, the Premises will be in good, clean condition and will comply with all laws, regulations or ordinances of any applicable municipal, county, state, federal or other public authority respecting such use as specified above. Lack of compliance shall be an event of default and shall be grounds for termination of this Lease Agreement.

12. Fire or Damage.

A. Damage or Destruction Renders Premises Unfit for Occupancy. If, during the term of this Lease Agreement, the Premises, or any portion thereof, shall be destroyed or damaged by fire, water, wind or any other cause not the fault of Lessee so as to render the Premises unfit for occupancy by Lessee, this Lease Agreement shall be automatically terminated and at an end. Lessee shall immediately surrender the Premises to Lessor and shall pay rent only to the time of such surrender. If comparable and acceptable office space can be provided by the Lessor within thirty (30) days of the date of destruction or damage, the Lessee may elect, at its sole option, to relocate to such substitute office space and all relocation costs shall be at the sole expense of the Lessor. Rents will be continued upon occupancy at the lesser of: (i) the current lease rate; or (ii) the market rate for the substitute space. Such relocation shall be for the remainder of this Lease Agreement or any extension.

B. Some Portion Fit for Occupancy.

(i) Notwithstanding any other provision of this Lease Agreement, if less than fifty percent (50%) of the Premises are destroyed or damaged, and if that portion of the Premises may be restored within ninety (90) days to as good a condition as originally received, the Lessee may elect to continue this Lease Agreement and Lessor shall have the option to restore the Premises. Lessee shall give written notice of its intention to continue this Lease Agreement within thirty (30) days after such damage or destruction occurs. If Lessor does not elect to restore the Premises, the Lessor shall provide the Lessee with written notice of that fact and this Lease Agreement shall automatically terminate effective as of the date of destruction or damage.

(ii) If the Lessor elects to restore or rebuild pursuant to the option provided in paragraph 12.B.(i), the rents otherwise due Lessor by Lessee shall be abated equal to the monthly cost per square foot of the unoccupied Premises for that period of time during which restoration or rebuilding of the Premises occurs. If the Lessee is unable to occupy all or part of the Premises during the restoration then, at the option of the Lessee, the Lessee may be relocated to comparable and acceptable office space and all relocation costs shall be at the sole expense of the Lessor. If such restoration or rebuilding exceeds ninety (90) days beyond the date of the destruction or damage to the Premises, Lessee may terminate this Lease Agreement without liability of any kind save payment for actual occupancy of the Premises prior to termination.

C. Prepaid Rent. In the event that this Lease Agreement is terminated as the result of damage or destruction to the Premises during any period of its term for which the Lessee has prepaid rent, the Lessor shall, within ten (10) days from the date of notification of termination by the Lessee, refund the full amount of any prepaid rent not then applied to a period of the Lessee's actual occupancy of the Premises. In the event that the Lessor does not timely remit the full amount of any prepaid rent to the Lessee, the Lessee shall be entitled to collect the full amount of its prepaid rent from insurance proceeds in the manner set forth in this Lease Agreement.

13. Alterations. Except as otherwise agreed, subsequent to the Effective Date and during the term of this Lease Agreement and any extension, neither Lessor nor Lessee shall make any alterations, additions or improvements to the Premises without the prior written consent of the other. Any and all alterations and improvements made by

Lessee shall be made at Lessee's sole expense and, subject to the exception for Trade Fixtures provided below, shall, upon termination of this Lease Agreement, and without disturbance or injury, become the property of the Lessor, and shall remain in and be surrendered with the Premises. Any such alterations, whether performed by Lessor or Lessee, must be made in a workmanlike manner and must comply with all applicable codes, ordinances, rules and regulations. Notwithstanding any other provision of this Lease Agreement, Trade Fixtures, as defined in this Lease Agreement, installed by Lessee shall, at the option of the Lessee, not become the property of the Lessor and, upon the termination of this Lease Agreement, the Lessee may remove such Trade Fixtures and return the Premises in as close to original condition as possible, reasonable wear and tear excepted. For purposes of this Lease Agreement, a Trade Fixture is defined as personal property used by the Lessee in the conduct of its business and includes items such as, but not limited to, shelves and reception counters.

14. Default. In the event that either party shall default in the performance of any material term, covenant, or condition of this Lease Agreement, the party not in default may at its option terminate this Lease Agreement. The party alleging default must provide written notice of said default, specifying the alleged default, and the receiving party shall have fifteen (15) business days to cure or shall immediately provide written documentation that it is proceeding to cure the default in an expedited manner (e.g., working overtime, express delivery, etc.). Should Lessee be in default by surrendering occupancy of the Premises in some manner violative of the terms of the Lease Agreement, Lessor may reenter the Premises without affecting its right of recovery of accrued rent therefor; provided, however, the Lessor shall exercise due diligence to mitigate any and all future losses of rent or damages that may result due to the failure of the Lessee to occupy the Premises.

15. Sufficient Appropriation By Legislature Required. It is understood and agreed that the Lessee is a governmental entity, and this Lease Agreement shall in no way or manner be construed so as to bind or obligate the State of Idaho beyond the term of any particular appropriation of funds by the State legislature as may exist from time to time. The Lessee reserves the right to terminate this Lease Agreement in whole or in part if, in its judgment, the legislature of the State of Idaho fails, neglects or refuses to appropriate sufficient funds as may be required for Lessee to continue such lease payments, or requires any return or "give-back" of funds required for the Lessee to continue payments, or if the Executive Branch mandates any cuts or holdbacks in spending. All affected future rights and liabilities of the Parties shall thereupon cease within ten (10) days after the notice to the Lessor. It is understood and agreed that the lease payments provided for in this Lease Agreement shall be paid from State legislative appropriations.

16. Assignment by Lessee - Right to Terminate Lease Agreement at Direction of Idaho Department of Administration. The parties to this Lease Agreement recognize and agree that Lessee, as an agency of the State of Idaho, is subject to the direction of the Idaho Department of Administration pursuant to Title 67, Chapter 57, Idaho Code, and, specifically, the right of that department to direct and require Lessee to remove its operations from the Premises and relocate to other facilities owned or leased by the State of Idaho. Accordingly, it is agreed that, upon the occurrence of such event, Lessee may terminate this Lease Agreement at any time after a one-Yr period from the date of the commencement of the Lease Agreement as determined under Paragraph 2, provided that Lessor is notified in writing ninety (90) days prior to the date such termination is to be effective. Such action on the part of the Lessee will relieve the Lessee and the State of Idaho of liability for any rental payments for periods after the specified date of termination or the actual date of surrender of the Premises, if later. Additionally, the Department of Administration, at its option, upon providing thirty (30) days' written notice to the Lessor, may relocate the Lessee and assign the space to another state agency, department or institution. The provisions of the Lease Agreement will continue in full force and effect upon such assignment by the Department of Administration.

17. Officials, Agents and Employees of Lessee Not Personally Liable. It is agreed by and between the Parties that in no event shall any official, officer, employee or agent of the State of Idaho be in any way liable or responsible for any covenant or agreement contained in this Lease Agreement, express or implied, nor for any statement, representation or warranty made in or in any way connected with this Lease Agreement or the Premises. In particular, and without limitation of the foregoing, no full-time or part-time agent or employee of the State of Idaho shall have any personal liability or responsibility under this Lease Agreement, and the sole

responsibility and liability for the performance of this Lease Agreement and all of the provisions and covenants contained in this Lease Agreement shall rest in and be vested with the State of Idaho.

18. Relation of Parties. The Parties agree and acknowledge that neither shall be considered the employer, agent, representative, or contractor of the other by reason of this Lease Agreement.

19. Notices. Any notice required to be served in accordance with the terms of this Lease Agreement shall be sent by registered or certified mail. Any notice required to be sent by the Lessee shall be sent to the Lessor's last known address at _____ and any notice required to be sent by the Lessor shall be sent to the address of the Premises and to the Lessee's address in Boise, i.e., _____. A copy of any such notice shall also be sent to the Department of Administration, Division of Public Works, Attn: Leasing Manager, Post Office Box 83720, Boise, ID 83720-0072. In the event of a change of address by either Lessor or Lessee, the Parties agree to notify each other in writing within ten (10) days of the date of any such change.

20. Insurance. The Lessor shall maintain an insurance policy (or policies) for the purpose of insuring any property and liability risks regarding the Premises. Any such policy obtained by the Lessor shall be at its sole and absolute expense, and Lessee shall have no obligation to obtain or pay for such insurance. In the event that the Lessee shall prepay rent in the manner set forth in this Lease Agreement, the insurance policy (or policies) obtained and maintained by the Lessor shall identify the Lessee as a named insured under the terms of the policy. Any such insurance policy shall further state that the Lessee shall be entitled to receive insurance proceeds in the full amount of any prepaid rent prior to any distribution of insurance proceeds to the Lessor or any other third party not having an insurable interest in the Premises. The Lessor shall provide the Lessee with a copy of its insurance policy on or before the term this Lease Agreement commences. The Lessee acknowledges that its personal property is subject to coverage in accordance with state law.

21. Heirs and Assigns. The terms of this Lease Agreement shall apply to the heirs, executors, administrators, successors and assigns of both the Lessor and the Lessee in like manner as to the original parties. Any assignment of this Lease Agreement must be approved by the State Board of Examiners in accordance with Idaho Code § 67-1027. If the Lessor assigns its interest in this Lease Agreement pursuant to a sale or other conveyance of the Premises (except a conveyance as contemplated by Paragraph 34) to a person or entity expressly assuming Lessor's obligations under this Lease Agreement, Lessee agrees, subject to obtaining the approval required by Idaho Code § 67-1027, to continue under this Lease Agreement and to recognize the new owner as the Lessor. This paragraph shall not in any way act as a release of any claim by Lessee as against the original Lessor nor shall it act as a waiver of any default under this Lease Agreement existing at the time of such sale or conveyance and assignment to the extent that any such default continues and remains uncured after such sale and assignment.

22. Nonwaiver. The failure of the Lessor or Lessee to insist upon strict performance of any of the covenants and agreements of this Lease Agreement or to exercise any option contained in this Lease Agreement shall not be construed as a waiver or relinquishment of any such covenant or agreement, but the same shall be and will remain in full force and effect unless such waiver is evidenced by the prior written consent of authorized representatives of the Lessor and Lessee.

23. Modification. This Lease Agreement may be modified in any particular only by the prior written consent of authorized representatives of the Lessor and Lessee. **Anything else contained herein notwithstanding, modifications to this Lease Agreement shall be of no force and effect until approved in writing by the Department of Administration, Division of Public Works.**

24. Renewal. This Lease Agreement may be renewed by the written consent of the Lessor and Lessee provided such consent is rendered sixty (60) days in advance of the expiration of the term of this Lease Agreement. Notice of Lessor's offer to renew shall be given by the Lessor one hundred twenty (120) days prior to the expiration of this Lease Agreement, including any extension. Lessee will have thirty (30) days to respond to Lessor's offer. If agreement is not reached by sixty (60) days prior to the expiration of the Lease Agreement, Lessor may lease the Premises to another party, but not on more favorable terms than offered to Lessee, without

first giving Lessee ninety (90) days to accept or reject those new terms.

25. Asbestos and Health Hazards. Lessor agrees to comply promptly with all requirements of any legally constituted public authority made necessary by any unknown or existing health hazard including, but not limited to, such hazards which may exist due to the use or suspected use of asbestos or asbestos products in the Premises. The Lessor warrants that it has inspected the Premises for health hazards, specifically for the presence of asbestos, and the inspection has not detected asbestos, or if Lessor's inspection has revealed asbestos, then Lessor warrants that it has been removed or been encapsulated in accordance with current law and regulations. In the event that asbestos or another health hazard is discovered on the Premises, the Lessor agrees to protect the Lessee and its employees and to take immediate corrective action to cure the problem. It is agreed that, in the event the Lessee is unable to continue occupancy of the Premises due to the presence of asbestos or any other health hazard, or because of any governmental, legislative, judicial or administrative act, rule, decision or regulation, the Lease Agreement may be terminated by the Lessee upon ten (10) days' written notice to the Lessor. Any asbestos abatement costs, and any other repair or renovation costs associated with asbestos or other health hazard, as well as moving costs and consequential damages, will be at the sole expense of the Lessor.

26. Non Discrimination. The Lessor hereby agrees to provide all services funded through or affected by this Lease Agreement without discrimination on the basis of race, color, national origin, religion, sex, age, physical/mental impairment, and to comply with all relevant sections of: Title VI of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; The Age Discrimination Act of 1975 and to comply with pertinent amendments to these acts made during the term of this Lease Agreement. The Lessor further agrees to comply with all pertinent parts of federal rules and regulations implementing these acts. The Lessor hereby agrees to provide equal employment opportunity and take affirmative action in employment on the basis of race, color, national origin, religion, sex, age, physical/mental impairment, and covered veteran status to the extent required by: Executive Order 11246; Section 503 of the Rehabilitation Act of 1973, as amended; Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974 and to comply with all amendments to these acts and pertinent federal rules and regulation regarding these acts during the term of the Lease Agreement.

27. Handicap Accessibility. Any space leased by the State of Idaho will meet or exceed standards for handicap accessibility as set out in the American National Standards Institute A117-1, 1992; Americans With Disabilities Act, Public Law 101-336 and applicable regulations; Uniform Building Code Chapter 11; and federal regulations applicable to the occupying agency.

28. Executive Order 2005-14. All buildings owned or maintained by any state government agency or entity, or which are constructed or renovated specifically for use or occupancy by any such agency or entity shall conform to all existing state codes, including but not restricted to, the Idaho General Safety and Health Standards, the Uniform Building Code, the Uniform Mechanical Code and the Uniform Fire Code. If any conflict arises between applicable codes, the more stringent code shall take precedence. Prior to construction or remodeling of such buildings, where appropriate, construction plans shall be reviewed and approved by the Division of Building Safety and the Permanent Building Fund Advisory Council.

29. Executive Order 2005-12. Executive Order 2005-12 requires that long-term energy costs, including seasonal and peaking demands upon the suppliers of energy, are to be a major consideration in the construction of all state buildings and the execution of lease agreements. Special attention shall include energy conservation considerations including: (i) Chapter 13 of the Uniform Building Code, 1997 Edition; (ii) use of alternative energy sources; (iii) energy management systems and controls to include effective means to monitor and maintain systems at optimal operations; (iv) "state-of-the-art" systems and equipment to conserve energy economically.

30. Executive Order 2005-10. Executive Order 2005-10 requires that all state-owned or state-lease buildings, facilities or area occupied by state employees shall be designated as "non-smoking" except for custodial care and full-time residential facilities. The policy governing custodial care and full-time residential facilities may be determined by the directors of such facilities.

31. Executive Order 2007-05. Executive Order 2007-05 requires state agencies to develop an inventory of greenhouse gas emissions and to implement strategies to reduce greenhouse gases. The Lessor agrees to provide Lessee with an ongoing permission to access the utility information of the building to determine the amount of electricity and heating fuel consumed within the Premises. If Lessee is not able to access this information directly from the utility companies, Lessor agrees to furnish said information to Lessee on a calendar year basis.

32. Indoor Air Quality. Lessor agrees to develop and maintain an indoor air quality management program and to maintain it in conjunction with all construction projects in the Building as well as on all ongoing maintenance and repairs of the Building and the Premises. Said program shall optimize and document the use of air quality compliant materials inside the Building to reduce the emissions from materials used in the Building. Ongoing indoor air quality requires the use of low or no VOC paints, solvents, adhesives, furniture and fabrics. VOC and chemical component limits shall not exceed Green Seal's Standard GS-11 requirements. Paints used on site shall be low VOC and are to be brush-applied only, spray painting is not allowed on the interior of the Building. Carpet must meet the requirements of the CRI Green Label Plus Carpet Testing Program. Carpet cushion must meet the requirements of the CRI Green Label Testing Program. Composite panels and agrifiber products must not contain added urea-formaldehyde resins. Laminate adhesives used to fabricate on-site and shop applied assemblies containing these laminate adhesives must contain no urea-formaldehyde.

33. Material Representations. The Parties agree and acknowledge that the representations and acknowledgments made in this Lease Agreement are material and the Parties have relied upon them in entering this Lease Agreement.

34. Severability. If any term or provision of this Lease Agreement is held by the courts to be illegal or in conflict with any existing law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be continued and enforced as if the invalid term or provision were not contained in this Lease Agreement.

35. Lessor's Right to Lease. The Lessor warrants that it is lawfully possessed of the Premises and has good, right and lawful authority to enter into this Lease Agreement and that the Lessor shall put the Lessee into actual possession of the Premises at the commencement of the term of this Lease Agreement and shall ensure to the Lessee the sole, peaceable, and uninterrupted use and occupancy of the Premises during the full term of this Lease Agreement and any extension.

36. Mortgages by Lessor. Lessee recognizes that Lessor may encumber the Premises by a mortgage(s) or other instrument securing Lessor's obligations to a lender. In such event, the following provisions apply as to the holder of any such mortgage or security instrument and to any person or entity acquiring an interest in the Premises through such mortgage or security interest:

A. In the event of a foreclosure or acquisition by the holder of such mortgage or security instrument, (or by a third party at a foreclosure sale), this Lease Agreement shall continue in full force and effect and the holder or other acquiring party shall be entitled to the benefits of the Lessee's performance under this Lease Agreement and shall have such remedies as are available to the Lessor under this Lease Agreement with respect to any default by the lessee then existing or thereafter occurring.

B. Upon written notification to Lessee of a completed foreclosure or other acquisition by the holder or third party purchaser at a foreclosure sale, Lessee will attorn to the acquiring party and shall thereafter perform.

C. In the event of a foreclosure or acquisition by the holder of such mortgage or other security instrument (or by a third party purchaser at a foreclosure sale), claims by Lessee against the Lessor arising prior to acquisition by the holder or third party purchaser shall not apply to such holder or third party purchaser, provided, however, that this shall not act as a waiver of any rights of Lessee by reason of default under this Lease Agreement existing at the time of such foreclosure sale or other acquisition or thereafter arising, to the extent that such

default is not cured under the provisions of this Lease Agreement.

37. Estoppel Certificate. Lessee agrees, upon reasonable written request, and from time to time, to provide to Lessor an Estoppel Certificate in the form attached hereto as B.

38. Complete Statement of Terms. No other understanding, whether oral or written, whether made prior to or contemporaneously with this Lease Agreement, shall be deemed to enlarge, limit or otherwise affect the operation of this Lease Agreement.

IN WITNESS WHEREOF, the Parties have executed this Lease Agreement as set forth above.

LESSOR:

STATE OF _____)

)ss.

COUNTY OF _____)

On this _____ day of _____, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, known or identified to me to be the person whose name is subscribed to the foregoing instrument on behalf of _____ as Lessor, and acknowledged to me that he/she executed the same on behalf of the Lessor.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and Yr in this certificate first above written.

Commission expires on _____

Residing at _____

LESSEE:

STATE OF _____)

)ss.

COUNTY OF _____)

On this _____ day of _____, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, known or identified to me to be the person whose name is subscribed to the foregoing instrument on behalf of _____ as Lessee, and acknowledged to me that he/she executed the same on behalf of the Lessee.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and Yr in this certificate first above written.

Commission expires on _____

Residing at _____

APPROVED BY:

Linda S. Miller, State Leasing Manager
Division of Public Works, Department of Administration

Date

**EXHIBIT A TO THE LEASE AGREEMENT
THE PREMISES
IDAHO**

EXHIBIT B TO THE LEASE AGREEMENT

ESTOPPEL CERTIFICATE

This Estoppel Certificate is made by _____,
(hereinafter "Lessee") the lessee of those certain premises located at
_____, [_____, Idaho], and described as
_____, and leased by Lessee from
_____ (hereinafter "Lessor").

NOW THEREFORE, Lessee certifies and represents to Lessor and its successors, mortgagees and assigns and their attorneys, representatives, with respect to the above described lease as follows:

1. The true, correct and complete copy of the lease, including all amendments or addendum thereto (hereinafter collectively referred to as the "Lease") is attached hereto.
2. The Lease contains the entire agreement between Lessor and Lessee, and to the best of Lessee's knowledge, as of the date hereof, Lessor is not in default in the performance of the terms and provisions of the Lease.
3. The Lease is for approximately _____ square feet. The Lease began on _____ and will end on _____.
4. Lessee has paid all rents due under the Lease for the period through and including _____, and Lessee has paid no other rent or compensation in lieu of rent in advance beyond such date. As of the date hereof, rent due from Lessee to Lessor is in the amount of \$ _____ per month plus such additional rent as called for in the Lease.

DATE: _____

LESSEE

EXHIBIT C – DIVISION OF BUILDING SAFETY, BUILDING BUREAU PLAN REVIEW APPLICATION

NOTE: For informational purposes only. Plans and specifications must be approved in writing by the agency prior to submittal to Division of Building Safety. Any changes to the plans and specifications after they are approved by the agency must be in writing and must include a cost estimate.

Division of Building Safety
1090 East Watertower Street P O Box 83720
Meridian, ID 83642 Boise, ID 83720-0060
Phone: 208.334.3896 / Fax: 208.885.9399

(Building Bureau Use Only)
P.A. #: _____
Initial Plan Review Fee: \$ _____
Receipt #: _____

Applicable codes: See http://dbs.idaho.gov/building/id_code.html for confirmation of codes
2003 IBC (including supplement accessibility requirements; 2003 IMC; 2003 IFGC;
2003 IECC; 2003 IRC (excluding IRC parts VII & VIII); 1999 NEC; 2003 UPC;

1. Application must include: 3 complete copies of the plans and specifications; 2 copies of the structural calculations and the energy code compliance documents. All submittal documents must be signed by an Idaho licensed architect, except applicable sheets signed by an Idaho licensed engineer responsible for the design of the civil, structural, mechanical or electrical system.

2. Project Owner: _____ Phone: _____
(School District, State Agency or Others)

3. Project Location: _____
(Address, Building Name)

4. Budgeted Project Valuation: \$ _____

5. Architect or Engineer: _____ Phone: _____

6. Project Description: _____

7. Scope of Drawings: Building ☐ Plumbing ☐ HVAC ☐ Electrical ☐ Elevator/Lift ☐ (Check all that apply)

8. Building Uses: New _____

Existing _____
9. Type of Construction: New: I-A ☐ I-B ☐ II-A ☐ II-B ☐ 111-A ☐ III-B ☐ IV ☐ V-A ☐ V-B ☐ (Check all
Existing: I-A ☐ I-B ☐ II-A ☐ II-B ☐ 111-A ☐ III-B ☐ IV ☐ V-A ☐ V-B ☐ that apply)

10. Area Separation Walls: New: Yes ☐ No ☐ Existing: Yes ☐ No ☐

11. Number of Stories: New _____ Existing _____ Basement: Yes ☐ No ☐ Area _____ s. f.

12. Building Area: New _____ s.f. Existing _____ s.f. (exclude basement area)

13. Fire Sprinkler System Throughout: New: Yes ☐ No ☐ Existing: Yes ☐ No ☐

14. The fire sprinkler system is for: fire flow reduction ☐ allowable area increase ☐ allowable story increase ☐
1 hr fire rated construction substitution ☐ Other: _____

15. Partially Fire Sprinkler System: Yes ☐ No ☐ Reason: _____

16. Agency Requesting Plan Review: _____

17. Applicant's Name: _____ Date: _____ Phone: _____

(Printed)

(Signature)